

October 11, 2000

Mr. Dale Schepers  
Plant Operations Superintendent  
City of College Station  
P.O. Box 9960  
College Station, TX 77842

Re: Well No. 6

Dear Mr. Schepers:

As you know, bids were received for the above referenced project on October 10, 2000. Four bids were received on this project. All bidders acknowledged receipt of Addendum No. 1. All bidders included the required bid security. No bidders opted to bid alternates in the bid form.

At the time of the bid opening T&C Construction was the apparent low bidder. However, after review of the bid by the City's Purchasing Department, it was determined that the T&C bid was totaled incorrectly. The City's Purchasing Department totaled the bids, and the bid summary is as follows:

Municipal Drilling	\$1,297,236.29
T&C Construction	\$1,354,507.00
Alsay, Inc.	\$1,527,645.00
Layne Texas	\$1,698,507.00

The apparent low bidder is Municipal Drilling. Malcolm Pirnie has contacted the references shown on the bid and is satisfied that Municipal Drilling is qualified to construct wells similar to Well No. 6. Contingent upon a satisfactory review by the City's legal counsel, we recommend the City award this contract to Municipal Drilling in the amount of \$1,297,236.00.



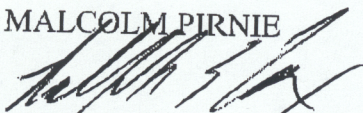
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Please feel free to contact us if you have any question or require any additional information. We look forward to working with the City of College Station on the construction phase of this project.

Very truly yours,

MALCOLM PIRNIE



Ralph E. Cox, P.E.  
Associate

c: Robert McCollum, DAL  
Camille Sowell, HOU  
File 3838007C